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MEMORANDUM FOR: Director of Central Intelligence

THRU: Acting Deputy Director (Administration)

SUBJECT: Motor Pool Operations (Agency Headquarters)

1. PROBLEM:

To determine the most efficient and economical method of providing vehicular support for the official activities of the Central Intelligence Agency in the metropolitan area of Washington, D. C.

2. ASSUMPTIONS:

- a. That there will be no major changes at Agency Headquarters with regard to mission, personnel strength, or operations during the balance of Fiscal Year 1954.
- b. That there will be no major dispersal of Agency Headquarters offices and/or installations during the foreseeable future.

3. FACTS BEARING ON THE PROBLEM:

- a. Executive emphasis on economy with respect to the utilization of passenger vehicles and chauffeurs has been specifically expressed in Bureau of the Budget Bulletin No. 54-1, "Review of Assignment and Use of Automobiles, Station Wagons, and Chauffeurs", dated 7 August 1953. A copy is attached as Annex No. 1 (Tab A).
- b. On 5 October 1953, the Acting Deputy Director (Administration) furnished the Deputy Director of Central Intelligence with information that a detailed study of vehicles and chauffeurs in the Headquarters area is in process. A copy of the memorandum is attached as Annex No. 2 (Tab B). The Chief of Logistics was directed to make a further study of the Motor Pool operations within the Washington area and submit specific recommendations considered appropriate thereto.

CONFIDENTIAL

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c. As of 15 October 1953, this Agency was operating a fleet of [] motor vehicles in support of activities in the metropolitan area of Washington. A breakdown of the [] vehicles by type, office, and purchase source of assignment, is attached as Annex No. 3 (Tab C). Operation and maintenance of the Agency fleet involves the full time employment of [] personnel assigned to Logistics and General Services Offices. A list by job title and office of assignment is attached as Annex No. 4 (Tab D). In addition, a considerable amount of commercial transportation is utilized to supplement the support furnished by the organic fleet. During Fiscal Year 1953, the Agency expended approximately \$24,195.15 for charter bus service and reimbursement of taxi fares. A breakdown of these expenditures by type is attached as Annex No. 5 (Tab E).

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d. Statutory regulations and limitations pertaining to the expenditure of appropriated funds for the purchase, hire, maintenance, operation, and repair of motor vehicles by Government agencies are contained in Section 16, Public Law 600, 79th Congress (5 U.S.C. 78). However, under the provisions of Public Law 110, 81st Congress, the limitations imposed by Public Law 600, do not necessarily apply to sums made available to this Agency. The Agency policy, as announced in [], is to be guided to the fullest extent by the provisions of law and regulations applicable to all other Government agencies. Agency regulations with regard to the official use of Government owned automobiles, and the penalties to be imposed in instances where such vehicles are used for other than official purposes, are published in [], dated 18 August 1953. A copy is attached as Annex No. 6 (Tab F).

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e. [], dated 20 March 1953, assign transportation functions, including maintenance to Logistics Office, except for Motor Pool services and first echelon maintenance of vehicles assigned to the General Services Office. [] 20 March 1953, assigns the function of providing Headquarters motor pool service to the General Services Office.

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f. On 2 April 1953, the Chief, General Services, prepared a study enumerating certain deficiencies with regard to the present method of providing official passenger transportation in the Washington area. A copy is attached as Annex No. 7 (Tab G).

g. On 21 April 1953, the Deputy Director (Administration) submitted a memorandum to the Director of Central Intelligence in which it was pointed out that "pure statistics would indicate that the assignment of vehicles and chauffeurs to individual offices and staffs, as opposed to having them operate from a central motor pool, is inefficient and uneconomical". However,

no change was recommended due to the fact that Office Heads and Staff Chiefs concerned were against any change. A copy of the Deputy Director's (Administration) memorandum is attached as Annex No. 8 (Tab H).

4. DISCUSSION:

- a. The provision of efficient and economical motor vehicle support for any Government agency is a difficult problem requiring continuous study. Requirements and procedures must be continually appraised and reappraised in the light of changing circumstances. Experience in other Government agencies and in Commercial Fleet Operations, has shown that the furnishing of essential service with a minimum number of vehicles is dependent upon the maintaining of the maximum number of vehicles in a serviceable condition at all times, and further, that the responsibility for accomplishing or arranging for adequate maintenance should rest with the office or individual responsible for the operation of the vehicles whenever conditions and facilities allow. Generally, it is an accepted practice for Government agencies to provide motor transportation from a motor pool instead of assigning vehicles to individuals or to offices. A portion of the instructions included in Bulletin 54-1, Bureau of the Budget, is as follows: "Report the number of reductions made possible by pooling or other steps taken to make fewer vehicles service the same number of users." This implies that it is expected of Government agencies to operate vehicles from pools whenever possible. In addition, a report has been made to the Bureau of the Budget that a reduction of seven vehicles will be effected prior to 30 June 1954.
- b. The problems involved in furnishing adequate support for this Agency in the Washington area have been further complicated by:
 - (1) The wide dispersal of Agency components.
 - (2) The rapid growth of Agency Headquarters.
 - (3) The covert nature of many of the normal activities of Agency components and personnel.
 - (4) The unforeseen and urgent nature of many of the vehicular support requirements.
 - (5) The lack of written guidance for all concerned.

The problem in question has been the subject of much study and, with regard to the assignment of passenger type vehicles and chauffeurs, much internal controversy. This is clearly evidenced by the two papers mentioned in Paragraph 3 f. and g. above, and

CONFIDENTIAL

as hereto enclosed as Annex No. 7 (Tab G) and Annex No. 8 (Tab H). Accordingly, all past efforts to materially reduce the number of vehicles and chauffeurs assigned to Offices by transfer of such vehicles and chauffeurs to a central motor pool have been successfully stalemated by the general opposition of the losing Office and Staff Heads. The major objection by Office and Staff Heads to the use of motor pool transportation on a trip basis has been the unreliability of obtaining such service when and as required. Under the present method of assignment of vehicles and chauffeurs, this objection cannot be disputed.

- c. The basic reason for the unreliability of the service provided by the Motor Pool at the present time is the lack of chauffeurs to perform the required service. At present, only six chauffeurs (less normal absentees and replacements for those chauffeurs assigned to Offices who are absent) are available for operation of the Motor Pool vehicles. Experience indicates that, normally, only three to five chauffeurs are available for pool operations. This number of chauffeurs cannot possibly furnish anything near the required support. With regard to the chauffeurs assigned to Offices, it is of interest to note that, as indicated in Paragraph 3 g. of Annex No. 7 (Tab C), an average of 500 man-hours are lost during each two-week pay period by these chauffeurs. It is felt that if these chauffeurs were assigned to a central motor pool much of this non-productive time could be eliminated. There are twenty-one chauffeur driven vehicles now assigned to Offices which could be withdrawn and assigned to a motor pool. This includes all chauffeur driven vehicles on Annex No. 3 (Tab C) except one vehicle assigned to the Director of Central Intelligence and one vehicle assigned to the National Security Council. Sufficient information is not available to this office to make any comments pertaining to the vehicle assigned to NSC. This will permit better utilization thereby resulting in economy and efficiency and permit a reduction in the total number of vehicles required. It is realized that there will be problems, since vehicles must be made available on relatively short notice in many cases where previous arrangements could not be made. In order to provide this service, it will be necessary that the parking spaces currently occupied by the vehicles which are assigned to Offices be reserved for the vehicles under the control of the Motor Pool. By the use of radio-telephones, a service can be provided.
- d. The laws and regulations cited in Paragraph 3 d. above, clearly outline:
 - (1) The limitations placed on the expenditure of appropriated funds for the purchase, hire, maintenance, operation, and repair of motor vehicles by Government agencies.

CONFIDENTIAL

CONFIDENTIAL

- (2) The authority (Public Law 110) for this Agency to expend appropriated funds "for purposes necessary to carry out its function" without regard to other provisions of law.
 - (3) The Agency interpretation with regard to the application of the authority granted under Public Law 110, 81st Congress. In essence, the cited Agency Regulations require that the administration and operations of the Agency be based on sound, economical and completely justifiable practices in accordance with the provisions of law and regulations applicable to all Government agencies to the fullest extent possible, and further, that the expenditure of funds under the provisions of Public Law 110, 81st Congress, be limited to those instances where such expenditures are necessary "for the support of strictly covert operations and for extraordinary or emergency requirements, where the nature of CIA activities precludes compliance with other statutes and procedures and normal Government audit".
- e. The responsibility for providing vehicular support in the Washington area is split between the Chief of Logistics and the Chief, General Services. On 10 November 1952, the Assistant Deputy Director (Administration) assigned to the Chief, General Services, the responsibilities for first echelon maintenance on all vehicles assigned to the General Services offices. As of this date, the Office of General Services has not completely assumed the assigned responsibilities. It is necessary for personnel on duty at the garage in the Highway Branch, Transportation Division, Logistics Office, to perform certain portions of first echelon maintenance (wash and polish vehicles). Copies of correspondence pertaining thereto are attached as Annex No. 9 (Tab I). Accordingly, there exists an untenable split in assigned functions to provide vehicular support in the Washington area.
- f. (1) A survey pertaining to the assignment and utilization of all passenger vehicles was recently conducted by this office. There were three types of forms used for this survey, namely:
- (a) Chauffeur Driven Vehicles (a copy is attached as Annex No. 10 (Tab J)).
 - (b) Vehicles assigned to Offices Without Chauffeurs (a copy is attached as Annex No. 11 (Tab K)).
 - (c) Vehicles Assigned to Individuals on Declaration of Trust (a copy is attached as Annex No. 12 (Tab L)).

(2) These survey forms have been returned from all concerned except:

- (a) The three vehicles assigned to the Director's office. (This does not pertain to the vehicle assigned to the Director as it is understood that he is authorized to have this vehicle assigned to him by law.)
- (b) One vehicle assigned to the Office of the Deputy Director.
- (c) Two vehicles assigned to the National Security Council.

(3) Official statements included on the Survey Forms reveal that:

- (a) All individuals exercising direct control over the operation or use of Agency vehicles understand Public Law 600, 79th Congress, with reference to the use of Government-owned vehicles.
- (b) There are five Government vehicles assigned on Declaration of Trust which are used a portion of the time for other than official purposes. Reimbursement is being made to the Government for use, other than official purposes, for four vehicles assigned to individuals under the jurisdiction of the Director of Training. No reimbursement is being made to the Government for the other vehicle assigned to an individual under the jurisdiction of the Assistant Director for Communications.

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- (c) [REDACTED]
- (d) Only authorized personnel operate the vehicles.
- (e) In justifying the requirement for having vehicles assigned to Offices rather than to the Motor Pool, the one reason most frequently stated was the requirement for having transportation available on short notice to meet urgent requirements. Further, that the present motor pool could not furnish the service.
- (f) The lack of parking facilities at most places visited in the Washington area made a chauffeur necessary.

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- (g) [REDACTED]
- (h) Complete records as to the operation of all vehicles are not maintained either in the Motor Pool or Offices of assignment.
- (i) All vehicles assigned on a Declaration of Trust are maintained by the individual to whom assigned on a regularly scheduled basis in accordance with usually accepted Government maintenance standards. (Note: This is questionable as it is unlikely that all individuals are thoroughly familiar with Government standards.)

CONFIDENTIAL

- g. With reference to Government vehicles being utilized for other than official purposes, it is believed that to comply with the intent of the law, the individuals utilizing vehicles should reimburse the Government for such use at a fair rate. While it is realized that each case of this type probably has to be considered on its own merits, it is believed that the utilization, procedure for reimbursement and other circumstances pertaining thereto should be made a matter of record, not only to protect the interests of the Government, but to protect the individual concerned. Therefore, it seems advisable that each case of this type should be requested by the Office Head concerned and be concurred in by the General Counsel, Comptroller and the Director of Security, and be approved by the Deputy Director concerned and the Deputy Director (Administration).
- h. There is an apparent need for applicable regulations for use, guidance and supervision in connection with individuals using Government transportation. It appears that there may be possible further reductions in the maintenance of records, the amount of equipment and vehicles on hand and the number of personnel required if this responsibility was assigned to one office. At the present time under the split responsibilities, records are inadequate, or incomplete and there is a lack of definite assigned functions as to the responsibility for keeping appropriate records normally required and necessary to efficiently administer and control the utilization of motor vehicles in the Washington area. Proposed regulations are now in process to provide policy and procedures and fix responsibility in connection with Government-owned motor vehicles, and to provide guidance in the use of privately-owned and rental vehicles for official business. It will be necessary, however, to develop, coordinate and have published detailed instructions pertaining to the operations, utilization, use, maintenance, liability, reports, records and responsibilities, not only by supervisors, but by individuals who use the vehicles in the Washington area.

5. CONCLUSIONS:

- a. Every reasonable effort should be made to comply with the intent of the instructions included in Bureau of the Budget Notice No. 54-1 consistent with security requirements. Action must be taken to reduce the fleet by at least seven vehicles during this fiscal year.
- b. The solution of the problems involved in furnishing adequate vehicular support for this Agency in the Washington area requires understanding and cooperation on the part of all officials assigned to Headquarters since such support will rarely, if ever, completely satisfy the requirements or personal desires of the parties served.

CONFIDENTIAL

CONFIDENTIAL

- c. The pooling of the optimum number vehicles and chauffeurs consistent with security requirements, will result in better utilization of vehicles; reduction in non-productive chauffeur hours; greater efficiency and economy in furnishing overall vehicular support; and permit a reduction in the total number of vehicles.
- d. The laws cited in Paragraph 3 d. establish the policy, guidance and latitude governing the provision of vehicular support for this Agency.
- e. An untenable split exists in assigned functions in providing vehicular support in the Washington area.
- f. Definite procedures should be established regarding reimbursement to the Government for the use of any vehicle for other than official purposes.
- g. Detailed instructions should be developed and published pertaining to the vehicular support in the Washington area.

6. RECOMMENDATIONS:

- a. Twenty-one (21) chauffeur driven vehicles now assigned to Offices be withdrawn and assigned to the Motor Pool.
- b. Action be taken to reduce the fleet by at least seven vehicles not later than 30 June 1954, and to effect further reductions provided an adequate service can be furnished with fewer vehicles.
- c. All functions pertaining to the vehicular support in the Washington area be transferred to the Chief of Logistics.
- d. Definite instructions be developed and published pertaining to vehicular support in the Washington area.

JAMES A. GARRISON
Chief of Logistics

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ANNEXES:

- Tab A - Annex No. 1 - Bureau of the Budget Bulletin No. 54-1, dated 7 August 1953.
- Tab B - Annex No. 2 - Memorandum for DDCI from ADD/A, dated 5 October 1953.
- Tab C - Annex No. 3 - Breakdown of Agency Vehicles Within Metropolitan Area, dated 15 October 1953.
- Tab D - Annex No. 4 - Operating & Maintenance Personnel
- Tab E - Annex No. 5 - Expenditures FY 1953 for Commercial Transportation to Move Agency Personnel in Washington Area.
- 25X1A Tab F - Annex No. 6 - [REDACTED], dated 13 August 1953.
- Tab G - Annex No. 7 - Memorandum for DD/A from Chief, General Services, dated 2 April 1953.
- Tab H - Annex No. 8 - Memorandum for DCI from DD/A, dated 21 April 1953.
- Tab I - Annex No. 9 - Correspondence pertaining to Transfer of Garage and Assignment of Functions.
- Tab J - Annex No. 10 - Survey Form
- Tab K - Annex No. 11 - " "
- Tab L - Annex No. 12 - " "

APPROVED:

/s/
L. K. WHITE

25 Nov 53

A-DD/A

Date

LO/ED/HDB:ns (3 Nov. 53)

Distribution:

- Orig. & 1-Addressee
- ✓ 2 - ADD/A - *checked*
- 1-- Official file/LO
- 1 - Transportation Div.
- 1 - Hold

On 25 Nov 53 General Cabell advised me in the presence of the Chief of Logistics (Mr. Garrison) that I was authorized to proceed with the recommendations made in this study. He has discussed this matter with Mr. Weisner and Mr. Amory who agree to give it a trial.

L. K. W.

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